

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 887 - SB 1075

March 16, 2021

SUMMARY OF ORIGINAL BILL: Adds two additional legislative committees as recipients of an annual report produced by the Department of Environment and Conservation.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005221): Deletes all language after the enacting clause. Requires the Commissioner of the Department of Environment and Conservation (TDEC) to promulgate rules that take effect by July 1, 2021, to create a commercial use authorization (CUA) to allow a person wanting to engage in commercial activities at one or more state parks or state natural park areas to obtain a permit to do so. Requires that such rules include fees structured to promote park self-sufficiency and economic development.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – An increase in revenue to the Department of Environment and Conservation (TDEC) as a result of the increased efficiency and expediency of the process with which TDEC contracts with vendors operating in state parks. Due to multiple unknown variables, the precise increase in state revenue to TDEC cannot be quantified with reasonable certainty.

Assumptions for the bill as amended:

- Based on information provided by the TDEC, it does not currently have the authority to issue CUAs to businesses; however, the Department has filed to promulgate rules for CUAs using the standard rulemaking hearing process to gain that authority. Such hearing is set for April 27, 2021.
- The effective date of this legislation will grant TDEC with emergency rule authorization, thereby allowing rules that are promulgated during such meeting to become effective by July 1, 2021.
- Currently, TDEC relies on special use permits or individual contracts to enter into agreements with commercial vendors at Tennessee state parks (TSPs).

- Based on information from the TDEC, this amendment and the intended rulemaking will put this CUA process in place permanently. It is assumed that in the absence of this legislation, no CUA process would be instituted until July 1, 2022.
- The CUA process, when in effect, is estimated to increase efficiency and expediency of the vendor hiring process.
- This legislation will result in an increase the number of contracts TDEC holds with vendors in state parks.
- Such revenue will be collected in the form of additional fees or commission subsequent to such additional contracts. Due to multiple unknown factors, any such additional revenue cannot be quantified with reasonable certainty.
- Based on information provided by the TDEC, setting up the CUA process will not result in any additional expenditures for the Department.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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